

Total International Equity

MSCI EAFE Benchmark

Sep 2008

Performance Calculations

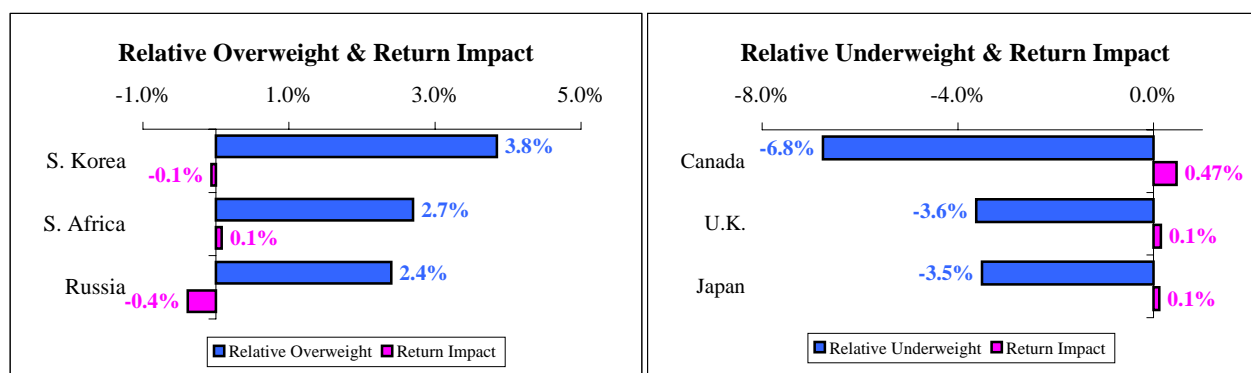
blue = outperform by 50 bp; red = underperform by 50 bp

(* Annualized)

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Total International Equity	-15.5%	-21.8%	-29.4%	4.1%	12.6%
Total Intl Equity ex Pareto	-15.4%	-22.0%	-29.4%	4.2%	12.7%
MSCI EAFE (Net Dividends)	-14.5%	-20.6%	-30.5%	1.1%	9.7%
Mondrian (MSCI EAFE)	-12.4%	-16.2%	-26.2%	3.7%	n/a
Bernstein (MSCI EMF)	-18.3%	-29.5%	-35.3%	5.9%	n/a
Genesis (MSCI EMF)	-16.9%	-21.7%	-25.6%	9.1%	20.9%
MSCI EMF (Gross)	-17.5%	-26.9%	-33.0%	8.7%	19.0%

Country Allocation Summary:

Over-weight Countries	Total Intl Unhedged	MSCI ACW ex U.S.	Under-weight Countries	Total Intl Unhedged	MSCI ACW ex U.S.
S. Korea	6.4%	2.6%	Canada	0.4%	7.2%
S. Africa	4.1%	1.4%	U.K.	12.2%	15.8%
Russia	4.3%	1.9%	Japan	12.1%	15.6%



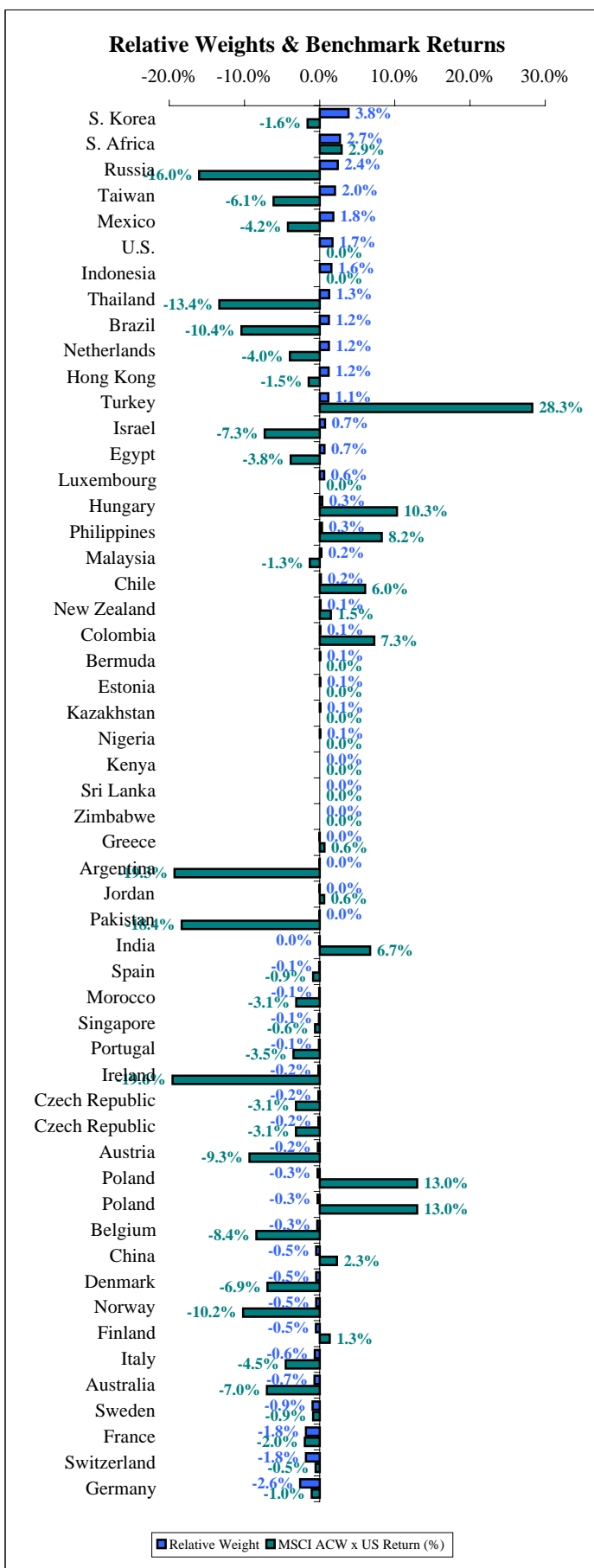
Performance Commentary:

The Total International Equity portion of the portfolio fell behind the MSCI EAFE index during the month by approximately 100 basis points. Our only active developed markets manager, Mondrian, added value, exceeding the MSCI EAFE benchmark by approximately 210 basis points. The emerging markets, represented by the MSCI EMF index, generated a return of -17.5% for the month. Genesis added value, generating a return ahead of the MSCI EMF index by 60 basis points; however this relative outperformance was more than offset by Bernstein, which fell behind the MSCI EMF index by about 80 basis points. The Total International Equity portion of the portfolio continues to add value over the MSCI EAFE index for the last one-year through the last five-year periods.

Total International Equity

Country Allocations versus MSCI ACW ex U.S. Benchmark

Sep 2008



Top 10 Country Allocations by \$ Invested

Country	PERSI Alloc (\$m)	Relative Weight
U.K.	\$ 155.22	-3.62%
Japan	\$ 154.31	-3.51%
S. Korea	\$ 81.44	3.85%
France	\$ 77.50	-1.83%
Brazil	\$ 57.08	1.24%
Russia	\$ 54.81	2.40%
Germany	\$ 53.46	-2.61%
Australia	\$ 52.43	-0.70%
S. Africa	\$ 52.13	2.70%
Taiwan	\$ 50.72	2.04%

Top 10 Allocations - Return Impact

